




## Department of Energy

Washington, DC 20585

NOV 19 1997

MEMORANDUM TO: DIRECTORS OF PROCUREMENT  
CONTRACTOR PURCHASING MANAGERS

FROM: RICHARD H. HOPF   
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FOR PROCUREMENT AND ASSISTANCE MANAGEMENT

SUBJECT: DOE CONTRACTOR'S SUPPLIER QUALITY DATABASE

On behalf of the Department of Energy (DOE) Federal/Contractor Purchasing Council, I would like to bring to your attention a resource, which can add value to federal procurement and contractor purchasing activities. The Supplier Quality Information Group (SQIG), a consortium of nineteen DOE contractors formed in 1991, has created a forum for sharing supplier evaluation data and exchanging information and ideas that promote excellence in supplier quality performance.

Before SQIG was formed, many key suppliers were bombarded with multiple evaluations by DOE contractors, seeking to prequalify them before placing procurements. This resulted in duplicated efforts and created inefficiencies for the suppliers, the DOE and their contractors. By using innovative supplier evaluation methods, standards, and state of the art Internet technology, SQIG has become a valuable resource for improving supplier quality and reducing government expenditures on redundant supplier evaluations. Red tape is further reduced because SQIG advocates a consensus method of conducting evaluations and provides common checklists to guide these efforts. Evaluators still are free to apply methods that best meet their needs; however, their results have greater consistency and more universal acceptance due to the performance standards imposed.

There are significant reductions in cost when a supplier evaluation is shared. Every time a SQIG evaluation is used in lieu of performing the evaluation, there is a cost saving of approximately \$3,100 in labor, travel, and associated expenses. The DOE contractor benefits by saving time and dollars. Supplier firms also benefit because time and preparation costs wasted on redundant evaluations are reduced or eliminated. Currently, the SQIG database contains approximately 1500 evaluation entries, covering a wide range of goods and services. The SQIG has also established a network of professionals for sharing information (i.e. supplier evaluation programs and lessons learned), as well as providing advice or assistance.

The SQIG database is available at "<http://www.lanl.gov/sqig/sqighome.htm>", or through the DOE Procurement Homepage. I encourage you to use the valuable resources provided by SQIG at every appropriate opportunity. If you have any questions, contact James J. Cavanagh, of my staff, at 202-586-8257, or Steven Stein of Brookhaven National Laboratory, SQIG Chair, at 516-344-5694.



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